

New Hampshire Building Capacity for Transformation Section 1115(a) Medicaid Demonstration

ATTACHMENT D: DSRIP PROGRAM FUNDING AND MECHANICS PROTOCOL

I. Preface

a) Delivery System Reform Incentive Payment Fund

On January 5, 2016, the Centers for Medicare and Medicaid Services (CMS) approved New Hampshire's request for expenditure authority to operate its section 1115(a) Medicaid demonstration (hereinafter "demonstration") entitled *Building Capacity for Transformation, a Delivery System Reform Incentive Payment (DSRIP) Program*. Under the DSRIP demonstration, the state will make performance-based funding available to regionally-based Integrated Delivery Networks (IDNs) that serve Medicaid beneficiaries with the goal of transforming the delivery system for beneficiaries with mental health conditions and/or substance use issues, including opiate abuse. This transformation will be supported by participation of IDNs in Alternative Payment Models (APMs) that move Medicaid payment from primarily volume-based to primarily value-based payment over the course of the demonstration period.

The Special Terms and Conditions (STCs) of the waiver set forth in detail the nature, character, and extent of federal involvement in the demonstration, the state's implementation of the expenditure authorities, and the state's obligations to CMS during the demonstration period.

Special Terms and Conditions (STC) 20 describes the general rules and requirements of the IDN Transformation Fund. The IDN Transformation Fund will be used to make payments to the IDNs that implement projects to further the objectives of the waiver and that meet milestones described in a state-approved IDN Project Plan.

STC 31 establishes the IDN Project Design and Capacity Building Fund which will be used by IDNs for pre-implementation activities. The dollar amount available for the IDN Project Design and Capacity Building Fund accounts for up to 65 percent of Year 1 demonstration funding, or up to \$19.5 million. The IDN Project Design and Capacity Building Fund will be used by IDNs to develop specific and comprehensive IDN Project Plans and to begin to develop the capacity and tools required to implement these plans.

b) DSRIP Program Funding and Mechanics Protocol

The requirements specified in the STCs are supplemented by the Quarterly Report Format (Attachment A), the DSHP Claiming Protocol (Attachment B), the DSRIP Planning Protocol (Attachment C), and the DSRIP Program Funding and Mechanics Protocol (Attachment D).

In accordance with STC 27, the DSRIP Program Funding and Mechanics Protocol (this attachment, Attachment D) describes the structure of IDNs and how beneficiaries are attributed to IDNs in Section II; specifies the process by which organizations apply to create IDNs in Section III; provides an overview of projects, metrics, and metric targets in Section IV (see Attachment C for more detail); describes the incentive funding methodology in Section V; specifies reporting requirements in Section VI; identifies Statewide accountability metrics and the process by which unearned IDN funds are handled in Section VII; and describes a Demonstration Mid-Point Assessment in Section VIII.

This version of the DSRIP Planning Protocol is approved as of [DATE]. In accordance with STC 26, the state may submit modifications to this protocol for CMS review and approval. Any changes approved by CMS will apply prospectively unless otherwise specified by CMS.

c) Supporting Project and Metrics Specification Guide

This attachment will be supplemented by a Project and Metrics Specification Guide developed by the state. This Guide will assist IDNs in developing and implementing their projects and will be used in the state's review of the IDN Project Plans, described in Section III below. The Project and Metrics Specification Guide will also provide additional information on the stages, milestones and metrics described in Section V below.

II. Integrated Delivery Networks

a) Introduction

Under the demonstration, a broad array of health and social service providers within geographic regions across the state will create Integrated Delivery Networks (IDNs) capable of implementing evidence-supported programs that address the needs of Medicaid beneficiaries with behavioral health conditions. IDNs are the only entities that are eligible to receive incentive payments from the IDN Transformation Fund or the Design and Capacity Building Fund, as described in STC 21. An organization seeking to participate in the demonstration and receive incentive or design and capacity building payments must do so through an IDN.

IDN partners will include but not be limited to: Federally Qualified Health Centers (FQHCs), and/or Community Health Centers or Rural Health Centers where available within each defined region, Community Mental Health Centers (CMHCs), substance use disorder (SUD) providers

(including recovery providers), hospitals, independent primary care providers (PCPs), psychiatrists, psychologists and other behaviorists, medical specialists, county organizations representing nursing facilities and correctional systems, peer and family supports counselors, and community-based social support agencies who serve the target population in a region or regions.

b) IDN Service Regions

IDNs will be organized around seven Service Regions throughout the state. These Service Regions will include one or more of the thirteen Regional Public Health Networks (RPHN) in New Hampshire, as listed in the table below.

Service Region	RPHNs Included
1. Monadnock, Sullivan, Upper Valley	Greater Monadnock, Greater Sullivan County, Upper Valley
2. Capital	Capital Area
3. Nashua	Greater Nashua
4. Derry & Manchester	Greater Derry, Greater Manchester
5. Central, Winnepesaukee	Central New Hampshire, Winnepesaukee
6. Seacoast & Strafford	Strafford County, Seacoast
7. North Country & Carroll	North Country, Carroll County

More than one IDN can serve in a region, although providers and social service agencies are strongly encouraged to collaborate and build a single IDN per region when feasible, particularly for less populated regions. As described in detail in Section III, IDNs will be selected through an IDN application process. When evaluating applications, the state and Independent Assessor will consider the extent to which applicants have developed an efficient, collaborative approach to serving their region.

c) IDN Composition and Provider Participation Guidelines

Each IDN will consist of partner organizations and an administrative lead. As described in Section III, the diversity and expertise of participating providers and social service organizations will be important criteria in evaluating IDN applications. The IDN partners must together be able to provide the full spectrum of care and related social services that might be needed by an individual with a behavioral health condition. As such, at a minimum each Integrated Delivery Network must include:

- A significant percentage of the regional primary care practices and facilities, serving the majority of Medicaid beneficiaries
- A significant percentage of the regional substance use disorder (SUD) providers, including recovery providers, serving the majority of Medicaid beneficiaries
- Representation from Regional Public Health Networks
- One or more Regional Community Mental Health Centers
- Peer-based support and/or community health workers from across the full spectrum of care
- One or more hospitals
- One or more Federally Qualified Health Centers, Community Health Centers or Rural Health Centers where available within a defined region
- Multiple community-based organizations that provide social and support services reflective of the social determinants of health for a variety of populations, such as transportation, housing, employment services, financial assistance, childcare, veterans services, community supports, legal assistance, etc.
- County facilities, such nursing facilities and correctional institutions

Organizations are permitted to participate in multiple IDNs across the state. However, as part of its IDN Project Plan (described further in Section III and in Attachment C) it is incumbent upon each IDN to establish a clear business relationship among its participating organizations, including a joint budget and funding distribution plan that specifies in advance its methodology for distributing incentive funding to participating partner organizations, in accordance with STC 22.

d) *IDN Administrative Leads*

Each IDN must designate an administrative lead from among the partner organizations that constitute the IDN. The administrative lead will submit a single IDN application on behalf of the partner organizations, and serve as the single point of accountability to the state. Its responsibilities include serving as a coordinating entity for the partners in planning and implementing projects; receiving and distributing funds to IDN partners in accordance with the funding methodology (described in III(c) of the IDN project plan); collaborating with partners in IDN leadership and oversight; leading data and reporting responsibilities, and complying with all state and CMS reporting requirements.

The administrative lead can be any type of provider or organization that participates in the IDN, but it must, at a minimum, meet the following requirements:

- Demonstrate that it has the experience to coordinate transformation efforts in collaboration with partners in the Service Region.
- Show evidence of active working relationships, or the ability to establish such relationships, with diverse entities that will participate in the IDN, including social service organizations and community partners.
- Establish its ability to administer the financial responsibilities of an administrative lead such as by detailing prior experience using financial practices that allow for transparency and accountability and by demonstrating financial stability.
- Specify how it will comply with the IDN reporting requirements and obligations
- Provide consent for audit and oversight by the state and CMS.

e) DSRIP Beneficiary Attribution

The demonstration seeks to enable each IDN to improve care for Medicaid beneficiaries with diagnosed and undiagnosed behavioral health conditions in and around its Service Region. The state expects that every Medicaid beneficiary will be attributable to one, and only one, IDN. Attribution will be used for two primary purposes:

1. As a component of the formula used to determine the Maximum IDN Project Funding amount for each IDN, described in more detail in Section V
2. For measurement of IDN performance metrics

The principle of New Hampshire's attribution methodology is that beneficiaries should be attributed to IDNs based on where they currently receive their care, but it is not always possible to identify a beneficiary's current providers or they may not be using care. Accordingly, attribution of New Hampshire's eligible Medicaid beneficiaries will be driven by a hierarchical methodology that is based on three factors:

- The primary care physician (PCP) of record
- Use of behavioral health / substance use providers.
- Geographic criteria (when necessary)

Priority will be given to assigning beneficiaries based on their primary care and/or behavioral health providers. When it is not possible to make an assignment based on these factors alone, the algorithm will consider where the individual resides as follows:

- *Beneficiary lacks a provider.* If it is not possible to assign a beneficiary to an IDN based on a PCP or on utilization patterns for mental health and substance use services (e.g., if there is no assigned PCP and no record of using behavioral health services), the beneficiary will be attributed to an IDN based on the Service Region in which he or she resides.

- *Provider participates in multiple IDNs.* In cases where a beneficiary’s primary care provider and behavioral health/substance use provider are participating in more than one IDN, the beneficiary will be attributed to an IDN based on the Service Region in which he or she resides.
- *Multiple IDNs serve the same region.* If a beneficiary cannot be attributed to an IDN because two or more IDNs are approved for a Service Region, the beneficiary will be attributed based on an alternative geographic factor, such as the hospital service area in which he/she resides.

Once preliminary attribution has been determined, the results will be shared with the Medicaid Managed Care Organizations (MCOs) for their enrolled members. The MCOs will be asked to review the attribution of their enrolled members, and make any necessary corrections, as practicable, based on more current beneficiary utilization information (e.g., more recent PCP assignment or behavioral health / substance use service use that occurred after the preliminary attribution data was run). The MCOs will then submit back to the state a recommended final attribution list, mapping each of their enrolled members as appropriate to a single IDN. The state will review the MCO recommendations and make modifications if needed to assure more accurate attribution, especially where there are multiple IDNs in a given Service Region. The opportunity for MCOs to provide input into the attribution process will ensure that the most recent member access patterns are taken into account in developing the attribution.

Once the attribution of beneficiaries to IDNs is finalized, the state will calculate the Maximum IDN Project Funding amount for each IDN for the 5-year demonstration period, as described in Section V. This valuation calculation will occur during Year 1 of the demonstration. Attribution may subsequently be updated periodically for the purposes of IDN performance measurement. However, Maximum IDN Project Funding will not be impacted by any updates to Attribution calculations.

For the purposes of collecting sufficient sample sizes for some performance metrics or to allow for risk sharing arrangements under alternative payment models in future years, IDNs may be aggregated into larger areas, or “zones.” When zones are used as the unit of analysis for measuring progress toward milestones, any incentive funds earned will be distributed to individual IDNs based on their share of attributed Medicaid beneficiaries.

III. IDN Application and DSRIP Project Plan Guidelines and Approval Process

a) Introduction

The IDN formation process has four key steps:

1. Potential IDNs submit an IDN Application that describes the partner organizations and their ability to serve as an IDN; identifies the administrative lead for the IDN; and requests Project Design and Capacity Building Funds on behalf of the IDN.
2. The State approves or rejects IDN Applications and certifies approved IDNs, which are then eligible to receive Project Design and Capacity Building Funds.
3. Any approved IDN that receives Project Design and Capacity Building Funds must then develop and submit an IDN Project Plan for approval. The components of the IDN Project Plan are described in the DSRIP Planning Protocol (Attachment C) Section V.
4. The State and its contracted Independent Assessor evaluates and approves IDN Project Plans. IDNs with approved IDN Project Plans are then eligible to receive performance-based incentive payments.

The IDN Application and IDN Project Plan are both described in more detail below.

b) IDN Applications

In accordance with Section V of STCs, the state is required to develop an application that IDNs must complete to be certified as an IDN, which in turn allows the IDN to receive IDN Project Design and Capacity Building Funds. The state is required to review and approve or reject IDN applications and IDN Project Design and Capacity Building Funds by June 30, 2016.

An organization interested in serving as an administrative lead will submit an IDN Application on behalf of itself and participating partner organizations. The IDN Application will solicit information to assess whether: an applicant is qualified to serve as an administrative lead; the proposed IDN meets the composition standards outlined in Section II; and the IDN is eligible to receive Project Design and Capacity Building Funds.

The State will develop the IDN Application, reflecting input from stakeholders and the public. Required elements of the IDN Application shall include:

1. Preliminary list of participating organizations and their role in the IDN
2. Identification of IDN administrative lead and its qualifications
3. Description of stakeholder process to be used to solicit community input
4. High-level description of local behavioral health-specific needs
5. Explanation of why Project Design and Capacity Building Funds are needed and how they will be used to prepare IDN Project Plans and support the transformation goals of the demonstration

Multiple IDNs may apply. It is anticipated that there will likely be one IDN in many areas of the state, but multiple IDNs may emerge in more heavily populated regions.

c) IDN Project Plans

Once IDNs have been selected through the IDN Application process, organizations participating in the IDN will collaborate to prepare an IDN Project Plan. Generally, the Project Plan will provide a blueprint of the work that an IDN intends to undertake, explain how its work responds to community-specific needs and furthers the objectives of the demonstration, and provide details on its composition and governance structure. IDNs are required to engage community stakeholders as part of the development of the IDN Project Plan.

An IDN Project Plan template will be developed by the state and posted for public comment prior to finalization. Additional information on the key components of the IDN Project Plan can be found in the DSRIP Planning Protocol (Attachment C), Section V. According to a timeline to be developed by the state and consistent with the requirements in Section V of the STCs, IDNs are required to submit final IDN Project plans to the state for review. An independent assessor contracted by the state will review and evaluate submitted IDN Project Plans. The state will approve applications and IDN Transformation Fund payments for projects as early as November 1, 2016, but no later than December 31, 2016.

IV. Projects, Metrics, and Metric Targets

a) Overview of Projects

IDNs will design and implement six DSRIP projects, selected from the Project Protocols Menu described in the DSRIP Planning Protocol (Attachment C). IDNs must develop Project Plans based on these selected projects that are directly responsive to the needs and characteristics of the low-income communities that they serve and the transformation objectives furthered by this demonstration.

Projects described in the DSRIP Planning Protocol (Attachment C) are grouped into three categories: Statewide Projects, a Core Competency Project, and Community-Driven Projects. The IDN will be responsible for demonstrating progress against a distinct set of metrics for each project category group. As described in the DSRIP Planning Protocol (Attachment C), Section III, IDNs are required to implement: two Statewide Projects (Behavioral Health Work Force Capacity Development and Health Information Technology Planning and Development); one Core Competency Project (Integrated Behavioral Health and Primary Care); and three Community Driven Projects that reflect the particular priorities of the communities that they serve (one project from each Community Driven project sub-category).

b) Project Metrics

As part of the IDN Project Plan, which is further described in Attachment C Sections V, IDNs will develop detailed plans and identify milestones consistent with state requirements for each project. As described in Attachment C Section IV and in accordance with STC 24, project performance will be measured based on metrics that track: project planning/implementation progress (Stage 1), project utilization and system transformation metrics (Stage 2 and 3), and progress towards transition to Alternative Payment Models (Stage 4).

IDNs will report on these metrics in their semi-annual reports (described in Section VI) and will receive fiscal incentive payments from the IDN Transformation Fund if they meet performance metrics targets (based on the mechanism described in Section V).

c) Stage 2 and 3 Performance Metric Goals and Improvement Targets

IDNs must have a goal for each Stage 2 or 3 performance metric. The state will measure IDN improvement from a baseline towards these goals to evaluate whether or not the IDN has achieved the metric improvement target each semi-annual reporting period. Performance goals will be based on the 75th – 100th percentile of performance within the state, a comparable national benchmark, or an alternative method approved by the state and CMS. The state will set annual improvement targets for IDN metrics that reflect consistent annual progress towards closing the gap between the baseline performance of each IDN and the goal for each metric. Each IDN will have its own baseline starting point, based on historical data that will be established as soon as complete data is available for the baseline period, and will be used as the foundation to determine the gap to goal for the purpose of setting improvement targets. In cases where IDN baseline performance is at or exceeds the goal, an alternative methodology will be developed to set annual improvement targets. Additional detail on performance goals and improvement targets will be included in the Project and Metrics Specification Guide.

V. Incentive Funding Formula and Year 1 Design and Capacity Building Funds

a) Year 1 Funding

i. Capacity Building and Design Fund

In accordance with STC 31, during calendar year 2016, the State will provide payments to approved IDNs from a designated IDN Project Design and Capacity Building Fund. This funding can be used by approved IDNs to develop specific and comprehensive IDN Project Plans and to

begin to develop the technology, tools and human resources that will allow IDNs to build capacity and pursue demonstration goals in accordance with community-based priorities.

Payments from the IDN Project Design and Capacity Building Fund will total up to 65% of demonstration Year 1 funding from the IDN Transformation Fund.

As described in Section III, IDN Applications will require IDNs to describe in detail why planning and capacity building funds are being requested and how they will be used to prepare IDN Project Plans and support the transformation goals of the demonstration. Approved IDNs that receive Project Design and Capacity Building funding must submit an IDN Project Plan.

The IDN Project Design and Capacity Building Fund will be divided equally into the following two components and will be distributed among approved IDNs: 1) A fixed component, distributed equally among all approved IDNs and 2) A variable component that is distributed proportionately among IDNs based on their share of attributed Medicaid beneficiaries.

ii. Project Funding

The state will award the remaining 35% of Year 1 funding available for incentive payments from the IDN Transformation Fund (excluding state administrative expenses) to approved IDNs upon successful submission and state approval of an IDN Project Plan. Year 1 incentive payments will be allocated to IDNs based on each IDN's share of total attributed Medicaid beneficiaries.

b) Year 2-5 IDN Incentive Funding and Project Valuation

For years 2 through 5 of the demonstration, IDNs will continue to earn performance-based incentive funding by achieving or exceeding defined targets for individual process and outcome metrics. During Year 1 of the demonstration, the state will determine the maximum amount of performance-based incentive funding available to be earned by each IDN annually for Years 2-5 of the demonstration. This annual amount will be driven by the size of the IDN's attributed population (described in Section II) and be allocated across three project groups in proportion to the relative intensity of effort and benefit of each project group over the life of the 5-year demonstration. Each project will have associated process and outcome metrics that must be achieved for IDNs to earn funding associated with a project group in a given year.

The maximum amount of incentive funding for each IDN will be calculated based on the methodology described in (i) below. Once the overall maximum valuation is determined, the value for the individual metrics of the IDN Project Plan is determined based on the distribution method described in (ii) below. Project values are subject to monitoring by the state and CMS, and IDNs may receive less than their maximum available project valuation if they do not meet

their designated metrics and/or if statewide DSRIP funding is reduced because of the statewide penalty (described in Section VII(d) below).

i. Calculating Maximum IDN Project Valuation

The maximum amount of incentive funding that an IDN can earn will be a function of the projects that it implements, the value of those projects, and the size of its attributed population, calculated using a two-step process and described in further detail below:

Step 1: Assigning Project Group Weighting

Each IDN will be required to implement six projects from the Project Protocols Menu of the DSRIP Planning Protocol (Attachment C, Section III). Of these six projects, two will be the mandatory Statewide projects, one will be the mandatory Core Competency project, and three will be selected by the IDN from the menu of Community Driven projects (one from each Community Driven project sub-category).

As required in Section V of the STCs, the value of funding for each IDN project will be proportionate to its potential benefit to the health and health care of Medicaid beneficiaries. Since many projects within a project group are co-dependent and share similar metrics, the value of individual projects within a project group will be identical.

Each of the three project groups (Statewide, Core Competency, Community-Driven) is assigned a relative weighting as a percentage of total project funding available to be earned in a given DSRIP Year. The state will assign weightings at the project *group* level, based on value of the program outcomes to the demonstration goals and intensity of resources required to implement the projects within that group. Project groups will be valued relative to one another, as a percentage of the total project funding available within a given year. The percentage allocation to each project group will vary over time to reflect the relative intensity of effort and benefit of each project group over the life of the 5-year demonstration. Therefore, for example, meeting milestones associated with the two Statewide Projects will account for 50% of funding IDNs can earn in DSRIP Year 2, and 20% of funding in DSRIP Year 5. The table below provides the relative percentage weighting by project group by year.

Project Group	Year 2 (2017)	Year 3 (2018)	Year 4 (2019)	Year 5 (2020)
Statewide Projects	50%	40%	30%	20%
Core Competency Project	30%	30%	20%	20%
Community-Driven Projects	20%	30%	50%	60%

Step 2: Calculating Maximum IDN Project Funding

The maximum IDN incentive funding for each year for each project group is calculated by multiplying the total available statewide IDN incentive funding for that year by the weighting percentage of that project group and the proportion of total Medicaid beneficiaries attributed to the IDN (based on the attribution method described in Section II above), as shown below:

Maximum IDN Project Funding by Year for Each Project Group = [Total Statewide IDN Transformation Funds available] x [Project Group Weight] x [% of Total Attributed Medicaid Beneficiaries]

This same formula will be repeated for all project groups, and the sum of all three project group funding will equal the total maximum amount of financial incentive payments (“maximum IDN project funding”) that the IDN could potentially earn based on performance.

Maximum IDN Project Funding by Year for an IDN = [Maximum IDN Funding for Statewide Project Group] + [Maximum IDN Funding for Core Competency Project Group] + [Maximum IDN Funding for Community-Driven Project Group]

The maximum IDN project funding represents the highest possible financial allocation that each IDN can receive for its menu of projects over the duration of its participation in the demonstration. IDNs may receive less than their individualized maximum allocation if they do not meet metrics and/ or if demonstration funding is reduced because of the statewide penalty (described in Section VII below).

ii. Earning Incentive Payments

As described above, Year 1 incentive funding from the IDN Transformation Fund will be awarded to approved IDNs upon successful submission and state approval of an IDN Project Plan. In years 2 through 5, each IDN will be able to receive incentive payments up to its Maximum IDN Project Funding amount by meeting or exceeding its designated performance metrics (as specified in each approved IDN Project Plan). Each project will have specific process metrics and/or performance metrics. However, as noted above, since many projects within a project group are co-dependent and have similar process metrics/performance metrics, overall project valuation will be determined based on meeting a standard set of process metrics and/or outcome metrics for each project group. The credit that an IDN receives for meeting a metric for a project group will be equally divided among all metrics in the project group.

As described in Section IV, the state will work with IDNs to establish milestones for each State 1 process measure and baseline performance for each Stage 2 and 3 measure. For Stage 2 and 3 measures, the state will identify annual improvement targets for process metrics and outcomes based on identified goals.

Each reporting period, IDNs will be scored on their performance towards achieving their designated metric targets. Scores for an IDN will be expressed as “meeting” or “not meeting” the process metric and/or outcome improvement target. The point value given for reaching a specified performance target/metric will be called an Achievement Value and will be assigned either a 0 or 1. If an IDN meets a process metric or outcome metric, it will receive an AV of 1 for that process metric/outcome metric in that reporting period. If the IDN does not meet its metric or performance target, it will receive an AV of 0 for that metric for that reporting period.

The Achievement Value (AV) for each metric will be summed to determine the Total Achievement Value (TAV) for the project group during any given reporting period. A Percentage Achievement Value (PAV) will then be calculated by dividing the TAV by the maximum available AV (the total number of metrics/metrics) for the reporting period in each project group. The PAV will reflect the percentage of metrics achieved by an IDN for each project group for a given reporting period, and be used to calculate how much of the project group’s maximum available funding was earned by the IDN.

Example: An IDN is able to earn a maximum of \$1,000,000 in the second payment period in Year 3 for Community-Driven Projects. If the IDN achieves four out of ten of the required milestones/metrics for Community-Driven Projects, the IDN would receive 40 percent of the \$1,000,000 or \$400,000.

As described in STC 24 and further detailed in Section IV of the DSRIP Planning Protocol (Attachment C), performance metrics and milestones will be organized into the following stages:

- i) Stage 1: Project planning and progress milestones
- ii) Stage 2: Project utilization milestones
- iii) Stage 3: System transformation utilization milestones
- iv) Stage 4: Alternative Payment Model milestones

In accordance with STC 27g, the state will shift funding over the duration of the waiver, from a focus on rewarding achievement of process (Stage 1) milestones in the early years of the waiver, to rewarding improvement on Stage 2, 3, and 4 performance metrics in the later years of the waiver. This timing of accountability for IDN performance on each metric will be specified further in the Project and Metrics Specification Guide and will be based on the following overall distribution pattern:

Percent of funding contingent on IDN performance, by milestone/metric type

Milestone/Metric Type	Year 2 (2017)	Year 3 (2018)	Year 4 (2019)	Year 5 (2020)
Stage 1 Process Metrics/Milestones	90%	75%	0%	0%
Stage 2, 3, 4 Performance Metrics/Milestones	10%	25%	100%	100%

VI. Reporting Requirements and Learning Collaboratives

Under STCs for the demonstration, both IDNs and the state must participate in a range of activities designed to ensure accountability for the demonstration funds being invested in New Hampshire, as well as to promote learning within New Hampshire and across the country from the work that is being done under the demonstration. These activities are detailed below.

a) Semi-Annual Reporting for IDN Project Achievement

Two times per year, IDNs seeking payment under the demonstration shall submit reports to the State using a standardized reporting form approved by the State and CMS. IDNs will use the document to report on their progress against the milestones and metrics described in their approved IDN Project Plans. Based on these reports, as well as data generated by the state on performance metrics, the state will calculate aggregate incentive payments in accordance with Section V and Section VII. The IDNs reports will be reviewed by the State and may be reviewed by CMS. Upon request, IDNs will provide back-up documentation and data in support of their progress. These reports will be due as indicated below after the end of each reporting period:

- For the reporting period encompassing January 1 through June 30 of each year: the semi-annual report and the corresponding request for payment must be submitted by an IDN to the State before July 31.
- For the reporting period encompassing July 1 through December 31 of each year: the semi-annual report and the corresponding request for payment must be submitted by an IDN to the State before January 31.

The state shall have 30 days after these reporting deadlines to review and approve or request additional information regarding the data reported for each milestone/metric and measure. If additional information is requested, the IDN shall respond to the request within 15 days and the State shall have an additional 15 days to review, approve, or deny the request for payment, based on the additional information provided. The state shall schedule the payment transaction for each IDN within 30 days following state approval of the IDN's semi-annual report.

b) State Activities

Throughout the demonstration, the State, and/or its designee, will oversee and monitor the activities of IDNs and submit regular reports to CMS. The State also will support IDNs in implementation by sponsoring learning collaboratives and providing guidance and support on the state's expectations and requirements. As it conducts these activities, the state will monitor the following:

- The speed and scale of progress made by each IDN towards meeting its milestones
- The specific activities that appear to be driving measureable change
- The key implementation challenges, including governance issues, associated with specific activities designed to drive improvement, and effective strategies for addressing them
- The need for any adjustments to the demonstration to maximize its effectiveness

Four types of State activities and reports are described further below:

i. Quarterly Operational Reports

In accordance with STC 41 and as outlined in Attachment A, the state will submit progress reports on a quarterly basis to CMS. The reports will present the state's analysis of the status of implementation; identify challenges and effective strategies for overcoming them; review available data on progress toward meeting metrics; and describe upcoming activities. This report will also include an Executive Summary which will be used by CMS, senior state officials and the public as a means of tracking the overall progress of the demonstration.

ii. Learning Collaborative

A Learning Collaborative will be sponsored by the State to support an environment of learning and sharing among IDNs through in-person and virtual meetings. Specifically, the LC will promote the exchange of strategies for effectively implementing projects and addressing operational, administrative and data challenges. The state also will use the LC to provide statewide updates on the demonstration, disseminate best practices, and gather feedback on where additional clarification of state expectations and requirements are needed. Depending on the number and type of projects chosen by IDNs, there may be multiple strains of the Learning Collaborative that allows similarly-situated IDNs to work together on specific challenges or projects.

iii. Web Site and Reporting Tool

The state will develop and regularly update a web site that provides information on the demonstration to participating IDNs, policymakers and members of the public. It will offer access to a centralized tool or system that tracks and disseminates information on the demonstration, participating IDNs, and projects. A key component of the tool will be a reporting feature that conveys key information on the status of demonstration progress for various audiences including that of the general public and CMS. The tool will deliver data that can 1) be easily interpreted by various stakeholders, 2) promote self-evaluation, and 3) promote the diffusion of effective intervention models.

iii. Program Evaluation

As described in STC 72 in Section X, the state will contract with an independent evaluator to evaluate the demonstration. The evaluator will be selected after a formal bidding process that will include consideration of the applicants' qualifications, experience, neutrality, and proposed budget. . The evaluation will be completed by June 30, 2021.

VII. Statewide Performance and Unearned IDN Funding

a) Accountability for State Performance

As described in STC 35 in section V, the state will be accountable for demonstrating progress towards meeting the demonstration's objectives of building greater behavioral health capacity; better integrating physical and behavioral health; and improving care transitions. Funding for IDNs may be reduced in demonstration Years 3, 4, and 5 if the State fails to demonstrate progress on the four statewide metrics described below. If the four metrics are not met, then available IDN Transformation Funds will be reduced by the amount specified in STC 35 in Section V. The funding reductions will be applied proportionately to all IDNs based on their maximum IDN Project Funding amount.

A state-wide performance goal will be established for each of the following four metrics. The state will be accountable for achieving these goals by the end of the demonstration period, DSRIP Year 5. During DSRIP Years 3, 4, and 5, annual improvement from a baseline towards these goals will be used to evaluate whether or not the state-wide metric improvement target has been achieved. The state will establish baseline performance for each measure and identify annual improvement targets for these measures in the supplemental Project and Metrics Specification Guide.

Statewide Accountability Metrics

- i. Readmission to Hospital for BH Population for Any Cause at 30 days
- ii. Use of standardized core assessment framework (whole population)
- iii. Potentially Preventable ER Visits for ambulatory sensitive conditions for BH Population and Total Population
- iv. Wait list in ED for Inpatient BH admission

For metric ii (Use of standardized core assessment framework), the state will be accountable for demonstrating a statewide rate of 75% by the end of the demonstration period. For the remaining measures, the statewide goal to be achieved by the end of the demonstration period will be based on the 75th percentile of IDN performance levels during the baseline period.

b) Unearned IDN Funding and the DSRIP Performance Pool

IDNs will be permitted to “reclaim” incentive funding that is unearned because the IDN failed to achieve certain performance metrics for a given reporting period. Funding amounts that are unearned will be available to the IDN for two immediate, subsequent reporting periods. To “reclaim” the unearned incentive funds, an IDN must not only demonstrate that it has achieved the original process or outcome metric target, but that it has also achieved or exceeded its most recent target for the same metric. If an IDN is not able to reclaim the unearned incentive funding in the two immediate, subsequent reporting periods, the funds will be forfeited by the IDN and placed into a general DSRIP Performance Pool. The DSRIP Performance Pool will be used to the scope of the statewide DSRIP program or to reward IDNs whose performance substantively and consistently exceeds their targets. The State does not plan to withhold any amounts to subsidize this Performance Pool.

VIII. Demonstration Mid-Point Assessment

At the State’s discretion, a mid-point assessment will be conducted in Demonstration Year 3. Based on qualitative and quantitative research and stakeholder and community input, the midpoint assessment will be used to systematically identify recommendations for improving individual IDNs and implementation of their Project Plans; state policies and procedures for oversight; and any other elements of the demonstration that may be hampering the effective and efficient use of funds and progress toward the demonstration’s goals. If the State opts to conduct a mid-point assessment, IDNs will be required to participate in the mid-point assessment, and to adopt IDN-specific recommendations that emerge from the review. The state may withhold future IDN Transformation Fund incentive payments to an IDN if it fails to adopt recommended changes even if all other requirements for DSRIP payment are met. If the review identifies recommendations for change to the STCs (including attached protocols), the state will submit a request to CMS for changes on or before October 1, 2018.